



Local Government Interim Committee
65th Montana Legislature

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Summary for LC VFF1

LC VFF1 would require workers' compensation for volunteer firefighters. Because disability provisions currently in law would be redundant, for the most part (mental-mental claims may be debatable), the bill draft also removes the disability part of the disability and pension for volunteer firefighters and within the fire department relief association pension funds. The bill does not repeal the volunteer firefighter pension fund nor does it repeal the fire department relief associations. The bill seeks to retain existing provisions, except to carve out how injured firefighters get assistance. The bill reinforces the idea that the money received by the fire department relief associations can be spent on workers' compensation.

Workers' compensation benefits include:

- An indemnity payment of 66 2/3% of an injured worker's salary for the period the worker is unable to work because of an injury incurred at work;
- Medical payments at 100%, including the first visit to a hospital emergency department for treatment of the compensable injury (subsequent visits to an emergency department cost \$25);
- Surviving beneficiaries in the case of death. These are defined in statute. Benefits for a surviving spouse are for 500 weeks. Other beneficiaries—children—receive payments for as long as they are eligible.
- Burial expenses not to exceed \$4,000.

Bill Sections:

- Section 1** Requires workers' compensation for volunteer firefighters. Removes the notification provision for lack of coverage, inserted by Senate Bill 142 in the 2017 session.
- Section 2** Removes disability benefits from the pension benefits paid under the Volunteer Firefighters Compensation Act. Removes 1995 date from the statute (because we're more than 10 years out now).
- Section 3** Bifurcates the disability and pension fund in order to continue to allow disability payments to those workers injured prior to the effective date of the act. Provides for distribution of money in a fund that is dissolved. Currently there is no provision for what to do with money in the fund if a city or municipality decides to dissolve the pension/disability fund. Provides for separation of funds as provided in 19-18-501 (section 4).
- Section 4** Provides for even distribution between disability and pension fund unless otherwise designated by the donor.
- Section 5** Distinguishes the money that may be reimbursed after a volunteer firefighter leaves service. Because workers' compensation is the obligation of the employer, the money that a volunteer firefighter contributes would go to the employer.

splits contributions into different funds so that a volunteer firefighter is not contributing his or her money to workers' compensation.

- Section 6 Allows fire department relief association to use funding for workers' compensation and minor administrative expenses. Removes provisions for disability payments and funeral expenses because these are under workers' compensation benefits.
- Section 7 Provides for a lump sum distribution of disability benefits if agreed to by both the board of trustees and the injured worker. This is to allow—but not require--the fire department relief associations to streamline their funds once workers' compensation benefits are required.
- Section 8 Separates disability and pension references. Subsection (5) included as a reminder that survivor benefits are included under workers' compensation statutes if eligible.
- Section 9 Includes volunteer firefighters among those who must be covered as employees (subsection 1(g) p. 13) and removes the permissive factor for volunteer firefighters under subsection (3) p. 15.
- Section 10 Repeals in the Volunteer Firefighter Compensation Act the references to medical and funeral expenses and references to disability benefits.
- Section 11 Provides the unfunded mandate laws are superseded. This is necessary because not all volunteer firefighter groups will have sufficient funding for workers' compensation. But the bill also reinforces the idea that the fire department relief associations can use their general fund money for workers' compensation premiums.
- Section 12 Suggested effective date is January 1, 2020, in order to give sufficient time for participation.